

RUBIN AND RUDMAN LLP

COUNSELLORS AT LAW

50 ROWES WHARF ? BOSTON, MASSACHUSETTS 02110-3319

(617) 330-7000 ? FACSIMILE: (617) 439-9556 ? FIRM@RUBINRUDMAN.COM

Andrew J. Newman

Direct Dial: (617) 330-7031

E-mail: anewman@rubinrudman.com

October 23, 2001

BY E-MAIL AND BY HAND

Mary L. Cottrell, Secretary

Department of Telecommunications and Energy

One South Station, 2nd Floor

Boston, MA 02110

Re: Blackstone Gas Company – DTE 01-50

Dear Secretary Cottrell:

This letter is in response to the Attorney General's Objection to Blackstone's Motion to Update Rate Case Expenses and Motion to Strike Portions of the Company's Reply Brief, or in the alternative, to Reopen the Record

Blackstone Gas Company would welcome and encourage the Department to accept the alternative relief requested by the Attorney General to reopen the record to clarify the evidence on the Tennessee Metering issue, officer-employee salary allocation between the gas company and its non-regulated sales and service affiliate, and to provide copies of bills of rate case expenses through October 31, 2001, as outlined in the revised rate case expenses in the Motion to Update Rate Case Expenses. The Company would require less than one hour to present additional testimony of Mr. James Wojcik and Ms. Lee Smith.

The Company would also like to correct a factual error in the Attorney General's Motion that rate case expense amortization increased from \$12,000 to \$21,284 as a result of the Motion of the Company to Update Rate Case Expenses AG's Motion, p. 1. The \$12,000 rate case amortization was the original estimate contained in the rate filing based on prior rate cases. Exh. Blackstone 1, Schedule 3. This figure was updated at the end of the evidentiary hearings in Exh. Blackstone – 4, Schedule 3 to \$16,800. The original estimates included no expense for transcripts and a much lower amount for the Company's accountant, consultant and attorney. The update reflects the most current actual bills plus a small estimated amount to conclude the case.

Mary L. Cottrell, Secretary

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The Company opposes the Attorney General's request to strike any portion of its brief, but joins with the Attorney General to request that the case be reopened.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Andrew J. Newman". The signature is fluid and cursive, with the first name "Andrew" and last name "Newman" clearly distinguishable.

Andrew J. Newman

AJN/lms

cc: (with enclosure)
Mr. Glenn Shippee, Rates and Revenue Requirements Division (3 copies)
Jody Stiefel, Esq., Hearing Officer (2 copies)
Wilner Borgella, Jr., Esq. (1 copy by e-mail)
James M. Avery, Esq. (1 copy)
D.T.E. Filing (by e-mail)